

# **EXHIBIT 1**

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**From:** Russell Laffitte <rlaffitte@palmettostate.bank>

**Sent:** Friday, October 29, 2021 3:22 PM

**To:** Charles Laffitte <claffitte@palmettostate.bank>; Charles Laffitte III <claffitte3@palmettostate.bank>; Jan Malinowski <jmalinowski@palmettostate.bank>; lmalinow59@gmail.com; hbrailroad@gmail.com; spann.laffitte@deltadentalsc.com; jsgibson43@yahoo.com; Gray Henderson <ghenderson@palmettostate.bank>; lucius@drilaffitte.com; Becky Laffitte <blaffitte@robinsongray.com>

**Subject:** Loss

Everyone,

I just wanted to give everyone a heads up on a charge that you will hear about in detail during our next board meeting. We took a \$680,000 loss to fix an issue between us and the PMPED Law Firm. We converted \$1,172,945.76 in checks made payable to PSB to numerous other places as part of another stolen case settlement. This all involved a case with Alex Murdaugh. I negotiated with the law firm to pay part and they pay the balance to make their client whole. We are moving \$680,000 out of loan loss reserve to offset this loss since we have ample reserves at this time.

I look forward to discussing further at the board meeting.

Thanks,

Russell L. Laffitte  
Chief Executive Officer  
Palmetto State Bank  
601 First Street W.  
Hampton, SC 29924  
(803) 943-7694 Direct  
(803) 943-2671 Work  
(803) 943-8910 Cell  
[www.palmettostatebank.com](http://www.palmettostatebank.com)  
NMLS ID #793359



**Palmetto**  
STATE BANK

[www.palmettostatebank.com](http://www.palmettostatebank.com)

*Neighbors helping neighbors since 1907*

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**From:** Norris Laffitte  
**To:** Russell Laffitte  
**Cc:** lmalinow59@gmail.com; Becky Laffitte; Bobby Stepp; Cal Watson; Charles Laffitte; Charles Laffitte III; Gray Henderson; Helms, Kathy Dudley; Jan Malinowski; Trenholm Walker; jsgibson43@yahoo.com; lucius@drilaffitte.com; spann.laffitte@deltadentalsc.com  
**Subject:** Re: CONFIDENTIAL- ATTORNEY CLIENT PRIVILEGE INFORMATION  
**Date:** Friday, October 29, 2021 4:54:04 PM

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Who was responsible for the conversion?  
Are multiple employees involved?  
When did it/they happen?  
What all was involved?  
How many times?  
How many other cases like this are out there?  
Have we let the employee(s) who did this go?

On Oct 29, 2021, at 3:57 PM, Russell Laffitte <rlaffitte@palmettostate.bank> wrote:

Attorney's were informed, but not consulted. They were consulted by phone so nothing to share. This is not a lawsuit issue. It is a banking issue of us converting checks.

Thanks,

**Russell L. Laffitte**  
**Chief Executive Officer**  
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**From:** Liz Malinowski <lmalinow59@gmail.com>  
**Sent:** Friday, October 29, 2021 3:39 PM

**CONFIDENTIAL**

**PSB 170026**

**To:** Russell Laffitte <rlaffitte@palmettostate.bank>  
**Cc:** Becky Laffitte <blaffitte@robinsongray.com>; Bobby Stepp  
<rstepp@robinsongray.com>; Cal Watson <cwatson@robinsongray.com>; Charles  
Laffitte <claffitte@palmettostate.bank>; Charles Laffitte III  
<claffitte3@palmettostate.bank>; Gray Henderson  
<ghenderson@palmettostate.bank>; Helms, Kathy Dudley  
<kathy.helms@ogletree.com>; Jan Malinowski <jmalinowski@palmettostate.bank>;  
Trenholm Walker <Walker@wgflaw.com>; hbrailroad@gmail.com;  
jsgibson43@yahoo.com; lucius@drlaffitte.com; spann.laffitte@deltadentalsc.com  
**Subject:** Re: CONFIDENTIAL- ATTORNEY CLIENT PRIVILEGE INFORMATION

I assume one of our attorneys was consulted before the decision was made. Will you please share the communication with the Board?

I would like to see the Board meet prior to the regularly scheduled November meeting for a full update and discussion. Perhaps if we schedule something for late afternoon one day next week most people can attend or join by Zoom.

Liz

On Fri, Oct 29, 2021 at 3:21 PM Russell Laffitte <rlaffitte@palmettostate.bank> wrote:

Everyone,

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Liz Malinowski

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PSB 170028